

July 16, 2010

*Strikes Delicate Balance between Protecting Communities from Flood Risks Without Unnecessary Burdens or Stifling Economic Development*

*Creates Office of Flood Insurance Advocate, Provides Five Year Delay of Flood Insurance Purchase Requirement and Phases in Cost of Insurance Premiums*

**WHITNEY POINT, NY** - Today, U.S. Rep. Michael A. Arcuri (NY-24) joined Mayor Gerald Whitehead and other local officials along with impacted residents and business owners to discuss *the Flood Insurance Reform Priorities Act of 2010 (H.R. 5114)*, which passed in the U.S. House of Representatives with strong bipartisan support on Thursday, July 15, 2010. As thousands of families and businesses across Upstate New York face a new requirement to purchase flood insurance as they are remapped by the Federal Emergency Management Agency (FEMA) into new flood zone boundaries (including Broome County), this legislation would allow property owners the option to delay the purchase of flood insurance up to five years, and once a policy has been initiated, phase in premium rates over a five year period.

"It is imperative that we have accurate flood maps that protect our communities without unnecessarily burdening them or stifling development, especially during these tough economic times," **said Arcuri who is a member of the subcommittee on Economic Development, Public Buildings and Emergency Management, which oversees FEMA**. "This legislation removes the undue burdens placed upon home and business owners as they are remapped into new flood zone boundaries by FEMA, by allowing them to delay the purchase of flood insurance for up to five years, and phase in those premium rates over the next five years once the policy has been initiated."

**Mayor Gerald Whitehead said,** "The legislation supported by Congressman Arcuri and passed yesterday is good news for the residents of Whitney Point. It affords us time to be sure the

FEMA maps are accurate and time to try to accredit our levees."

**Lois Andrascik of the Greater Binghamton Association of Realtors said,** "It is encouraging to know that FEMA will have an office set up to assist home owner and buyers and realtors throughout the flood insurance process. Also, the delay and cancellation of thousands of real-estate transaction will be avoided because the National Flood Insurance Program has been extended for the next five years. I am happy that Congressman Arcuri is being proactive on this issue."

Arcuri noted that H.R. 5114 also creates the Office of Flood Insurance Advocate within FEMA to assist policy holders in filing flood insurance claims, settling disputes between policy holders and FEMA, and streamlining the claims process-a provision Arcuri strongly supports and one that he fought to include in previous flood insurance reform legislation that was considered, but not enacted, during the 110<sup>th</sup> Congress.

Other provisions in *the Flood Insurance Reform Priorities Act of 2010* include:

- Reauthorizes the National Flood Insurance Program (NFIP) within FEMA to enter into and renew flood insurance policies through 2015, which has lapsed on two separate occasions in the past year. This will provide the stability necessary for homeowners, businesses and realtors to plan effectively and to obtain flood insurance policies that are required to complete real estate transactions;
- Provides a five-year delay in the mandatory purchase requirement for properties in newly designated Special Flood Hazard Areas. This grace period would apply retroactively to any final updated flood map that was enacted since September 1, 2008. After the expiration of this period, it allows for a five-year phase-in of full-risk, new rates for areas newly designated as Special Flood Hazard Areas; and,
- Creates an installment payment program for flood insurance premiums for families at or below 200 percent of the poverty level or that have no employed adult member.

In recent years, Arcuri has assisted both the Cities of Cortland and Oneonta in successfully appealing updated draft flood maps, saving countless home and business owners from unnecessarily having to purchase flood insurance. In each case, the preliminary updated maps

issued by FEMA proposed to include areas that had not flooded during recent severe flood events in 2006. The appeals of both cities were ultimately successful and those areas were not included in the flood boundary on the final updated maps.

In February 2010, FEMA completed a preliminary Flood Insurance Study (FIS) for Broome County, which would be used to revise and update previous FISs and Flood Insurance Rate Maps (FIRMs) for the county. There has been no previous FIS specifically for the Village of Whitney Point and the existing FIRM for the village was enacted in 1984. The draft updated flood maps released earlier this year propose to expand the old flood zone boundaries to include 50 area properties, and therefore required to purchase flood insurance. These properties are in addition to 152 properties within the Town of Lisle that were within the flood zone under the old map.

**Arcuri added,** "In some cases, FEMA may be working too aggressively and unnecessarily require people who have never experienced a flood to purchase flood insurance-as was the case recently with maps for Cortland and Oneonta and could happen in Broome County. Instances like this illustrate why the grace period in H.R. 5114 is important - so property owners have a five year delay of the flood insurance purchase requirement within which to appeal FEMA's preliminary determinations."

FEMA is required to establish flood-risk zones, which determine if property owners must purchase flood insurance. The current five-year flood map modernization initiative aims to update, revise and digitize the flood maps for more than 20,000 communities across the country in response to climate change, increased incidence of flood disasters, and changes to the environment and landscape over time.

Under the National Flood Insurance Program, created by Congress in 1968, property owners in flood-risk zones are required to purchase federally subsidized flood insurance if their property has a mortgage that is backed by the federal government.

Please [click here](#) to watch Arcuri's remarks in favor of *the Flood Insurance Reform Priorities Act of 2010* as it is considered on the

House Floor yesterday.

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